

No. 11761

IN THE

United States Circuit Court of Appeals
FOR THE NINTH CIRCUIT

HERMAN H. HELBUSH and MONOGRAM MANUFACTURING
Co., a corporation,

Appellants,

vs.

DONALD H. FINKLE, doing business as Wedgelock Com-
pany,

Appellee.

APPELLANTS' OPENING BRIEF.

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APPELLANTS' OPENING BRIEF.

This is an appeal from a final judgment of the District Court of the United States for the Southern District of California, Central Division, dismissing appellants' action for infringement of claim 11 of United States Letters Patent 2,365,787, issued to Wallace [Ex. 1, II, 277*], and claims 1 and 2 of United States Letters Patent 2,364,408, issued to Wallace [Ex. 2, II, 283]. The District Court dismissed the action upon the ground that no infringement had been committed by the appellee. The Court did not render any opinion.

*Herein the Roman numeral refers to the volume of the record and is followed by the page number.

Jurisdiction.

No question of jurisdiction or pleading is raised by this appeal.

The complaint alleges [Par. III, I, 3] and the answer admits [Par. 1, I, 6] that the suit arises under the patent laws of the United States, of which the District Courts of the United States have exclusive original jurisdiction (Judicial Code, Sec. 24(7), 28 U. S. C. A. 41). Jurisdiction to review the appealed judgment is conferred by Sec. 128(a) of the Judicial Code (28 U. S. C. A. 225). No question of venue is involved.

The appealed judgment was filed and entered on May 20, 1947 [I. 33]. Motion for a new trial was filed by appellants on May 28, 1947 [I, 35], and order of the District Court denying appellants' motion for new trial was entered on June 25, 1947 [I, 55]. The notice of appeal was filed September 23, 1947 [I, 55], within three months of entry of the order denying appellants' motion for a new trial (28 U. S. C. A. 230).

Statement of Case.

Appellants' original complaint named only appellee, Donald H. Finkle, doing business as Wedgelock Company, as defendant.

The original complaint alleges infringement of claim 11 of United States Letters Patent 2,365,787; claims 1 and 2 of United States Letters Patent 2,364,408; and claims 1 to 7, inclusive, of United States Letters Patent 2,320,493, issued to and owned by appellant, Herman H. Helbush, and exclusively licensed to appellant, Monogram Manufacturing Company. The patents are for improvements in sheet metal clamps.

On September 13, 1946, said defendant filed his answer, denying infringement [Par. 4, I, 7] and alleged that the patents were irregularly granted [Par. 5, I, 7]; that Frank C. Wallace, the inventor named in the patents, was not the first inventor of the patented subject matter [Par. 7, I, 7]; that the patented subject matter had been invented by others prior to Wallace's invention [Par. 8, I, 8]; that in view of the state of the prior art the patents cannot be interpreted to cover appellee's device [Par. 9, I, 9]; that appellants so limited the patent claims during prosecution before the Patent Office that they cannot be construed to cover appellee's device [Par. 10, I, 10]; that the patents do not involve invention [Par. 11, I, 10]; and that the description of the invention is not sufficiently clear to comply with the patent statutes [Par. 12, I, 10]. With his answer, said appellee also filed a counterclaim charging appellant, Monogram Manufacturing Company, with infringement of said appellee's United States Letters Patent 2,393,088.

By stipulation, appellants dismissed their action in so far as Patent 2,320,493 was concerned and said appellee dismissed his counterclaim for infringement of Patent 2,393,088 [I, 19].

Appellee, Wedgelock Company, a corporation, was brought into the action as a defendant by supplemental complaint filed pursuant to stipulation of the parties [I, 20].

Sheet metal clamps are devices used as temporary rivets to hold metal sheets together while the sheets are being riveted together. For instance, the sheets to form an entire airplane wing will be assembled and held together by hundreds of the clamps while the riveting operation pro-

ceeds. The clamps are removed as the permanent rivets are applied [I, 101].

There are two types of sheet metal clamps. One, the *single clamping pin* or "Cleco" type typified by Exhibit 13, is shown by Blanc patent 2,136,875 [Ex. H5, II, 307] and DeMooy patent 2,159,655 [Ex. H6, II, 313]. The other is the *two clamping pin* type exemplified by the patents in suit, which are improvements upon the clamps shown by prior art patents: British 413,403 of 1933 [Ex. H3, II, 297], British 443,683 of 1936 [Ex. H4, II, 313], and DeMooy 2,269,188 [Ex. H7, II, 317]. The latter patents were cited and considered by the Patent Office during prosecution of the application for patent in suit 2,365,787.

The accused devices, Exhibits 11 and 12, are of the two-pin type.

The principal general difference between the single-pin type and the two-pin type is that the single-pin type has a single clamping pin which reciprocates through a small hole in the outer end of a cylindrical clamp body relative to a cam element, while the two-pin type has two substantially parallel, flexible clamping pins which reciprocate through a small hole in the body relative to a stationary spreader mounted between them. The use of two pins with a spreader between them presented a difficult and costly assembly problem not presented by the single-pin type.

The single-pin type has the disadvantage that it affords only a one-sided and unbalanced clamping action and is relatively hard to apply to and remove from the holes in the work sheets [I, 79], while the two-pin type pro-

vides an even and balanced clamping action and is relatively easy to insert in and remove from the holes in the work sheets [I, 79, 80].

It is important to bear in mind that, although the more desirable two-pin type clamp was invented three years before the less desirable single-pin type, the two-pin type remained in the paper patent stage and never went into commercial use until the improvements of the first Wallace patent in suit 2,365,787 were disclosed, while the single-pin type did go into universal use. That was because neither of the prior art patents on the two-pin type disclosed a structure which could be assembled cheaply enough to render it commercially feasible. Even the single-pin clamps were selling for over 20 cents each [I, 169] when the Wallace clamp was first introduced in 1941. The Wallace improvements of patent 2,365,787 enabled the more desirable two-pin clamps to be assembled in two-thirds less time [I, 94] and made to sell for as low as 6 cents each [I, 94].

As soon as the Wallace improvements were introduced, the two-pin clamps promptly went into universal use and completely supplanted the one-pin type [I, 94]. Since millions of these clamps are used, the value of this saving of over 300% in price provided a tremendous saving to the public. For instance, appellant, Monogram, alone sold over fifty million of the Wallace clamps up to the trial of this action [I, 93], which represented a saving of over \$7,000,000 to the public.

The principal difficulties in assembling two-pin type clamps were these: the clamping pins must slide through a small hole in the outer end of the clamp body, and, to effect engagement with the work sheets, the pins must

have enlarged outer ends. The spreader must be mounted in the body and project outwardly through the small hole between the enlarged ends of the pins. The enlarged pin ends with the spreader between them cannot pass through the small hole in the end of the body at the same time. Thus to assemble the clamp a tedious and costly series of assembly steps was necessary.

The Wallace invention of patent in suit 2,365,787 overcame those assembly difficulties by what may now appear to be a very simple improvement. Wallace provided a separate and attachable end cap for the clamp body, to house the spreader and to provide a work-engaging surface for the body. This cap made possible two simple and economical methods of assembly: (1) if the body has an integral end wall, the clamping pins may be inserted together from the *inner end* of the body, and then the spreader can be inserted from the *outer end*, after which the end cap is crimped onto the body; or (2) if the clamp body is open at its outer end, the pins, spring and spreader may be mounted in the cap as a complete sub-assembly unit, such as Exhibit E, and then the unit can be inserted from the outer end of the body, after which the end cap may be crimped onto the body. The accused clamps are assembled by the latter method.

The next major improvements upon the two-pin type clamp was also contributed by Wallace, by patent in suit 2,364,408. By this improvement, Wallace overcame a long existing personal injury hazard in the use of sheet

metal clamps. Very strong springs are necessarily used in these clamps, and the clamping pins would often break off. When this happened, the spring would propel the clamp parts through the air, causing them to strike a workman and seriously injure him.

By his improvement of patent 2,364,408, Wallace eliminated this hazard by providing *double safety stops* for the pins. Those double stops shared the spring stresses and even if one stop should fail, the other stop will prevent the clamp from flying apart. This improved clamp immediately became the one in general use, and it was also copied by appellees.

Subsequent to applying for his patent in suit 2,365,787, Wallace contributed another, but relatively minor, improvement. This improvement consisted of making the spreader rotatable in the clamp body to avoid twist-off of the pins in the work sheets. In a former case against appellees' predecessor, *Monogram Mfg. Co. et al. v. F & H Mfg. Co.*, 144 F. (2d) 412, this Court held the patents in that suit invalid upon the ground of anticipation. Mention is made of this prior case here so that the issues in that case may not be confused with the issues here. There the subject matter was entirely different, and here patent in suit 2,365,787 was applied for long prior to either of the patents involved in that suit.

It is unfortunate that the Trial Court rendered judgment in the instant case without any opinion or without any findings which clearly indicate the Court's reasons

for the holding of non-infringement. The patent claims in issue clearly read upon the accused devices and the claims are not properly subject to any other interpretation. Only Finding 24 [I, 29] throws any light upon the Court's interpretation. By that finding, it might appear that the Court construed the claims in issue of both patents to be necessarily limited to a structure in which the clamp body has an integral end wall in addition to an attached end cap. But claim 11 of patent 2,365,787 does not contain any such element, and such an end wall is not at all necessary either to novelty or utility. And it is even more impossible to construe claims 1 and 2 of patent 2,364,408 as including such an end wall, because the claims do not contain any such element, *and the patent disclosure does not even show any such element.*

Moreover, even if the claims in issue could be construed to include such a body end wall in addition to the cap, by the doctrine of equivalence, the accused devices clearly also have an end wall. The only function of an end wall is to provide something to prevent the end of the spring from bearing directly against the spreader. For this purpose a washer is provided in the accused devices as well as in the specific embodiment of patent 2,364,408 shown in the patent drawings.

Both patents received thorough examination by and prosecution before the Patent Office. *The prior art patents selected by appellees' expert as being the most pertinent were cited and considered by the Patent Office.*

Specification of Errors.

1. The Trial Judge's interpretation of the patent claims and structures involved is contrary to the law and facts.

This error is raised by paragraphs 3-9 of appellant's concise statement of points on appeal [I, 273], reproduced in the appendix hereto.

2. The Trial Court abused its discretionary powers in awarding attorneys' fees to appellees, when there is no showing or indication of bad faith on the part of appellants.

This error is raised by paragraph 10 of appellants' concise statement of points on appeal.

3. The Trial Court erred in failing to find the patent claims in issue valid and infringed.

This error is raised by paragraphs 11 and 12 of appellants' concise statement of points on appeal.

SUMMARY OF ARGUMENT.

POINT 1.

The Trial Judge's Interpretation of the Patent Claims in Issue, and of the Accused Device, Is Contrary to the Law and to the Facts.

- (a) The essence of the invention of patent in suit 2,365,787 is the combination wherein the clamp body has a separate end cap attached to it so as to render possible two economical methods of assembling the clamping pins and the stationary spreader in the body.
- (b) Claim 11 of patent 2,365,787 reads squarely upon the accused clamps as exemplified by Exhibits 11 and 12 and the claim is not subject to any other interpretation.
- (c) The findings of fact leave it uncertain as to the interpretation which the Trial Court placed upon claim 11 and upon the accused devices in order to conclude that there was no infringement.
- (d) The prior art is not pertinent to the improvements of claim 11.
- (e) The Trial Court's interpretation of claim 11 is contrary to the law as applied by this Court.
- (f) The essence of the invention of claims 1 and 2 of patent in suit 2,364,408 is the combination which provides double safety stops to eliminate hazards of personal injuries to workmen resulting from clamps flying apart.
- (g) Claims 1 and 2 of patent 2,364,408 read squarely upon the accused device as exemplified by Exhibit 12 and are not subject to any other interpretation.

(h) The prior art fails to disclose the improvements of claims 1 and 2 of patent 2,364,408.

(i) Finding 25 does not relate to any matter of substance.

POINT 2.

It Is Improper to Award Attorneys' Fees to a Prevailing Party in a Patent Case Unless There Is Some Showing of Bad Faith on the Part of the Losing Party.

(a) Such an allowance, in the absence of bad faith, is contrary to the statute and to the Constitution.

(b) In enacting the amendment to 35 U. S. C. A. 70 in 1946, Congress did not intend that attorneys' fees should be allowed in patent cases as a general thing.

(c) The practice in allowing attorneys' fees in patent cases should follow the practice relating to allowance of multiple damages in patent suits.

POINT 3.

The Trial Court Should Have Found the Patents in Suit Valid and Infringed.

(a) Although both patents in suit relate to improvements in an old art, they disclose meritorious advances and are entitled to liberal treatment.

(b) By all accepted rules for determining invention and according to the law of claim interpretation as applied by this Court, the patents in suit are valid and infringed.

ARGUMENT.

POINT 1.

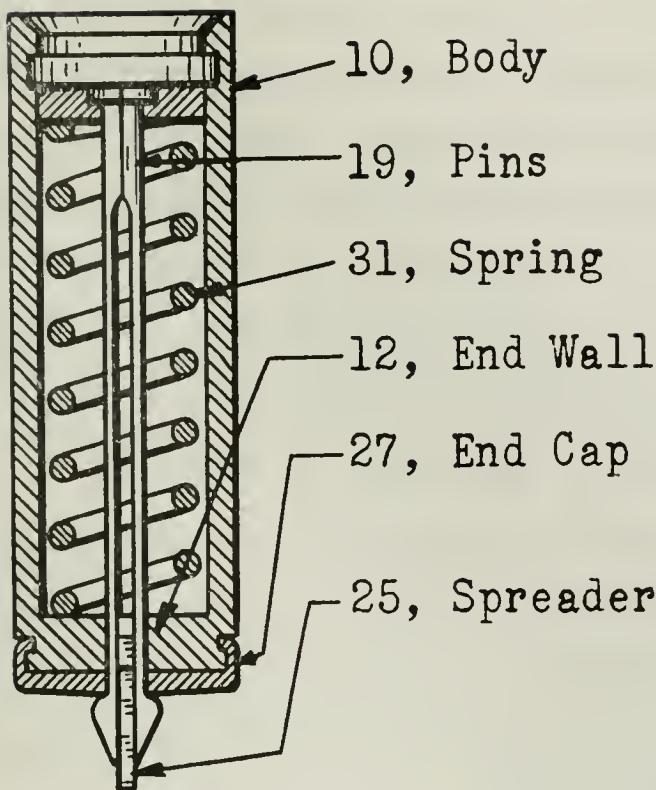
The Trial Judge's Interpretation of the Patent Claims in Issue, and of the Accused Devices, Is Contrary to the Law and to the Facts.

Claim 11 of Patent 2,365,787 [Ex. 1, II, 277.]

Appellees' devices, as exemplified by Exhibits 11 and 12, are charged to infringe claim 11 of patent 2,365,787. Exhibit 11-A is a cut-open specimen of Exhibit 11, and Exhibit 17 is a drawing of the device of Exhibit 11. Exhibit 12-A is a cut-open specimen of Exhibit 12, and Exhibit 18 is a drawing of the device of Exhibit 12.

For convenient reference, the specific embodiment of the invention illustrated in the patent drawings, is shown in Plate 1 next following.

Plate 1



Clamp as specifically
shown in drawing of
Patent No. 2,365,787

By reference to Plate 1, it will be seen that the specific clamp shown in the patent drawing includes a cylindrical body (10) having crimped onto its outer end a separate end cap (27) which has a hole through its center. Reciprocally mounted in the body there is what is referred to in claim 11 as a "retaining member," consisting of a pair of clamping pins or prongs (19) having enlarged outer ends. A spring (31) urges the pins into the body. The outer end portion of the clamping pins move and extend through the hole in the end cap. To spread the clamping pins apart, a T-shaped spreader bar (25) is held between their outer end portions, the cross-portion of the bar being held by the end cap against movement as the pins move outwardly.

In the *specific example of the invention shown in the patent*, the body has an integral end wall (12) provided with a transverse slot in which the inner end of the spreader bar is positioned. This wall, however, merely provides an abutment for the spring [I, 163, 169] and obviously may be omitted if desired, or an ordinary washer, such as the washer (9) shown in Plates 2, 3 and 4 may be substituted [I, 163, 169]. *This end wall (12) is not included as an element of claim 11.*

This patented combination, including an attached end cap, solved an old problem, one which had been serious enough to keep the *two-pin* type of sheet metal clamp off the market and to keep the cost of sheet metal clamps up to over 20 cents each.

The intricacies and difficulties of assembling a two-pin type of clamp without having such an attached end cap are outlined by witness Mattingly at I, 109-114 and illustrated in Exhibit 22. As witness Livingston testified [I, 91] *it requires three times as long to assemble a clamp which does not have such an end cap as it does to assemble a clamp having an end cap.*

The great extent to which the use of a separate end cap has facilitated assembly of the accused clamps is related by Mr. Mattingly at I, 106-109, 115-119 and is illustrated in drawing Exhibits 20 and 21.

In fact, the evidence shows that *it is impossible to assemble the accused clamps without using the separate*

end cap taught by patent 2,365,787. See witness Mattingly's testimony at I, 161 as follows:

"Q. Mr. Mattingly, could you make a sub-assembly such as defendant's Exhibit E and mount it on the body of Exhibit 11 without using the body and cap combination such as is used in Exhibit 11 or the drawing of the exhibit, Exhibit 17? A. No; you could not. The structure shown in Exhibit 17, as I pointed out, includes the body portion in which the upper end has—the inner end, as we have referred to it here, has the inter-turned flange to engage that thimble; so that it is essential that the assembly of the spring, pin, cap, and spreader be made in that body from the outer end of the body, and you would have to have your body capable of allowing all of that assembly to pass inwardly from the bottom end and then your cap to secure that assembly to the body."

Also see Mr. Mattingly's testimony at I, 117, as follows:

"Q. Now, does the end cap 11 in Exhibit 17 provide the same advantages in assembly as the end cap which you have described in Exhibit 16? A. Yes. It allows the assembly to be put together with greater ease than if no cap was used, and, in fact, without a cap this particular structure illustrated in Exhibit 17 could not be assembled."

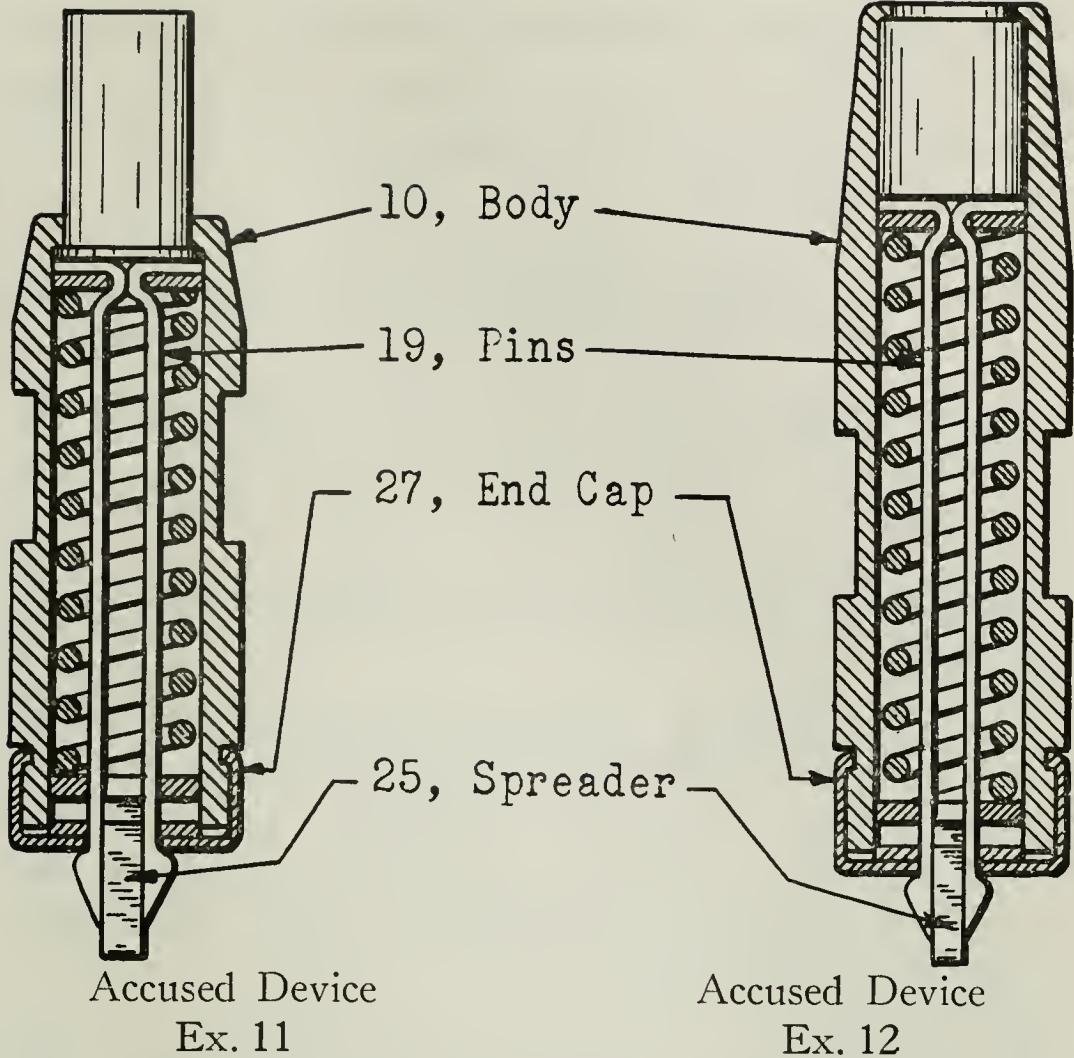
Although appellees' expert, Mr. Hackstaff, first claimed that he could assemble the accused clamps without using

a separate end cap, cross-examination developed that he could not [I, 247-252]. After a recess, appellees' counsel attempted, by re-direct examination [I, 260-262], to show that the accused clamps could be assembled without using a separate end cap, and had the witness produce a pencil sketch [Ex. M, II, 345], to illustrate, but, as the sketch shows, the witness had to materially change the structure in order to effect an assembly without the separate cap. The sketch of Exhibit M shows a clamp structure of questionable operability or utility, one quite different from the accused devices and one in which the double safety stop feature of patent 2,364,408 could not be obtained.

**The Accused Devices, Exhibits 11 and 12, Infringe Claim 11
of Patent 2,365,787.**

In Plate 2 next following, the accused devices are shown and, next following the plate, claim 11 is quoted. Like reference numerals are given to the elements in the plate and in the claim (in so far as the elements are included in the claim), those being the reference numerals used in the patent specification.

Plate 2



Accused Device
Ex. 11

Accused Device
Ex. 12

“11. A clamp for holding perforated sheets together in superposed relation, comprising a cylindrical body (10), a laterally flexible retaining member (19) reciprocally mounted in the body for protraction and retraction through the outer end of the body, a spreader bar (25) having lateral sliding engagement with the retaining member, said spreader having an angularly disposed inner end portion, and means for holding the spreader bar against outward longitudinal movement relative to the body, the last-named means consisting of a cover cap (27) having a cylindrical skirt secured to the outer end portion of the body periphery and an end wall whose inner surface provides an abutment for the angular portion of the spreader bar and whose outer surface provides a sheet-engaging portion.”

It is clear, therefore, that claim 11 of patent 2,365,787 reads squarely upon the accused devices just as definitely as it reads upon the patent disclosure. See also expert Mattingly's testimony reading claim 11 upon the accused devices [I, 120-129].

The Findings Leave It Uncertain as to the Trial Court's Interpretation of Claim 11 and of the Accused Devices.

Upon what ground the Trial Judge distinguished the accused devices from the structure defined by the claim is left very much in doubt by the findings.

Finding 24, the only pertinent finding [I, 29], reads as follows:

“24. That the clamps manufactured, used and sold by the defendants, Donald H. Finkle and the Wedgelock Company, a corporation, do not include an end cap for holding a T-shaped spreader on the outside end wall of the body of said clamp and against the end wall.”

That finding might indicate that the Trial Judge held claim 11 to be necessarily limited to a structure wherein the body has an end wall in addition to the end cap, except for the fact that the Trial Judge *refused to adopt* finding numbered 23 [I, 29] *proposed* by appellees, which *proposed* finding reads as follows:

“23. That in view of the above set forth prior patents, and the ruling of the Patent Office as above set forth, the patent in suit, United States Patent No. 2,365,787, must be limited in its scope to include a body member with an integral end wall and a cover cap surrounding said end wall and holding a T-shaped spreader on the outside of said end wall and inside of said cover cap.”

The Trial Judge's refusal to adopt that finding is, according to the authorities, equivalent to a contrary finding.

"A failure of the court to find that the words had acquired a secondary meaning was a finding that the words had not acquired such meaning. *Dektor v. Overbrook National Bank of Philadelphia, et al.*, 77 F. (2d) 491, 492; 64 C. J. 1079."

Leland J. Wilhartz v. Turco Products, Inc., F. (2d) (C. C. A. 7), decided Dec. 23, 1947.

Obviously, claim 11 does not include, as an element, a body end wall in addition to an end cap. There is no evidence that the patented device is inoperative unless it has an end wall in addition to the cap—indeed, the evidence is to the contrary [I, 169].

No Prior Art Discloses the Invention of Claim 11.

There is certainly no disclosure in the prior art which places any such limitation upon claim 11, because *no prior art shows an attached end cap of any kind for any purpose*. In fact, it appears that the Trial Court recognized that the prior art failed to place any such limitation upon claim 11, because the Court *rejected* proposed findings numbered 18-23 [I, 27, 28] to that effect.

The Trial Court also refused to find that the claim was so limited during prosecution before the Patent Office [I, 27, proposed finding 17].

The only patents *earlier* than the filing of the application for the Wallace patent in suit 2,365,787 are:

British patent 413,403 [Ex. H-3]

British patent 443,683 [Ex. H-4]

DeMooy 2,269,188 [Ex. H-7]

of which appellees' expert selected DeMooy 2,269,188 [Ex. H-7] as being the most pertinent [I, 235]. This DeMooy patent as well as the British patents were cited and considered by the Patent Office. The most that these patents disclose, however, are clamps of the double pin type *generally*, but *in none is there a separate end cap* at all, so that all lack the very essence of the combination of the Wallace patent. Therefore, the prior art totally fails to limit claim 11.

The Trial Court's Interpretation of Claim 11 of Patent 2,365,787 Is Contrary to the Law as Applied by This Court.

By omitting an end wall as an element of claim 11, the patentee presented and obtained a claim which was not so limited.

It is significant that *other* claims (not in issue) of the patent are, by their language, expressly limited to a structure which does include a body end wall in addition to a cap (see claim 4).

It is well settled patent law that:

“A patentee may, however, describe all the devices in his machine or manufacture, and instead of claiming all or any particular portion of them in combination, may claim so much of the described mechanism as produces a particular described result.”

“Walker on Patents,” Dellers Edition, page 1697.

As stated in *Motion Picture Patents v. Universal Film Mfg. Co.*, 243 U. S. 510, 61 L. Ed. 871 (at L. Ed. p. 876):

“These (the claims) so mark where the progress claimed by the patent begins and where it ends that

they have been aptly likened to the description in a deed, which sets the bounds to the grant which it contains. It is to the claims of every patent, therefore, that we must turn when we are seeking to determine what the invention is, the exclusive use of which is given to the inventor by the grant provided for by the statute."

It is also settled law, in this and other circuits, that, in construing a patent, it is improper to read into a claim limitations which it does not express, particularly when such limitations are neither necessary to operability, novelty or utility, and when the claim does not use language such as "of the character described" to refer to limitations shown in the specification. If a claim is ambiguous or uncertain (which is not true of claim 11), reference may be had to the specification to throw light upon it, but simply because an element might be disclosed in the specific embodiment of the invention shown in the patent drawing, is no valid reason why any claim not specifying the element should be considered as including it.

In the Ninth Circuit Court of Appeals case of *Reinharts, Inc. v. Caterpillar Tractor Co.*, 85 F. (2d) 628, the patent involved a tractor. The specification of the patent described it as a "frameless" tractor, although the particular claim of the patent in issue made no mention of the structure being frameless. In holding that the claim could not be interpreted to include an element which

it did not recite, even though the element was described in the specification, the Court said (at p. 633):

“Appellant contends that the tractor described in the Wickersham specification is a ‘frameless’ tractor, and that the accused tractor is not of that type and, therefore, cannot be said to infringe the Wickersham patent. This contention must fail. Wickersham’s invention is defined, not by the specification, but by the claims of his patent. *Smith v. Snow*, 294 U. S. 1, 11, 55 S. Ct. 279, 79 L. Ed. 721; *Altoona Publix Theatres v. American Tri-Ergon Corporation*, 294 U. S. 477, 487, 55 S. Ct. 455, 79 L. Ed. 1005; *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, *supra*, 210 U. S. 405, at page 419, 28 S. Ct. 748, 52 L. Ed. 1122. There is in the claims no mention of a ‘frameless’ tractor. That expression is merely appellant’s characterization of a tractor having, instead of the usual frame, a central body member comprising a combined engine and transmission case, as described above.”

In the Supreme Court case of *Smith v. Snow*, 294 U. S. 1, 79 L. Ed. 721, the patent involved a method for incubating eggs. The patent specification stated that, in the preferred method of carrying out the invention, the eggs should be arranged in a particular manner in the machine, although the patent claims in issue did not include any such requirement. The defendant urged that the claims must be interpreted to be limited to the particular manner of arranging the eggs described in the specification, although the claims did not recite this element.

In denying this construction of the claim, the Supreme Court said (at L. Ed. p. 728):

“We may take it that, as the statute requires, the specifications just detailed show a way of using the inventor's method, and that he conceived that particular way described as the best one. But he is not confined to that particular mode of use since the claims of the patent, not its specifications, measure the invention. Paper Bag Patent case (Continental Paper Bag Co. v. Eastern Paper Bag Co.), 210 U. S. 405, 419, 52 L. Ed. 1122, 1128, 28 S. Ct. 748; McCarthy v. Lehigh Valley R. Co., 160 U. S. 110, 116, 40 L. Ed. 358, 361, 16 S. Ct. 240; Winans v. Denmead, 5 How. 330, 343, 14 L. Ed. 717, 722. While the claims of a patent may incorporate the specifications or drawings by reference, see Snow v. Lake Shore & M. S. R. Co., 121 U. S. 617, 630, 30 L. Ed. 1004, 1008, 7 S. Ct. 1343, and thus limit the patent to the form described in the specifications, it is not necessary to embrace in the claims or describe in the specifications all possible forms in which the claimed principle may be reduced to practice.”

As is the case here, in *Smith v. Snow, supra*, the patent contained other claims which did specifically include the limitations urged by the respondent for claim 1 of the patent there in suit, and in commenting upon this the Supreme Court said (at L. Ed. p. 729):

“The omission of these requirements from claim 1 is the more pointed as the other claims of the patent speak in particular of a power-driven fan Thus, by striking and obviously intended con-

trast with other claims, claim 1 covers broadly the essential elements of the Smith invention."

It is submitted, therefore, that if the Trial Court did construe claim 11 as being necessarily limited to the inclusion of a body end wall in addition to the cap element, such an interpretation constituted error.

The Trial Court's Interpretation Does Not Give Any Effect to the Doctrine of Equivalence.

Even if claim 11 could be properly construed as being limited to the inclusion of a body end wall in addition to the cap, such an interpretation would not enable appellee to escape infringement, because, in each of Exhibits 11 and 12, there is an element which is the full mechanical equivalent of the body end wall shown in the specific embodiment of patent 2,365,787 illustrated in the patent drawing. That is the washer 9 contained in Exhibits 11 and 12. This washer is interposed between the inner end of the spring and the spreader and performs the same function as does the end wall in the specific embodiment shown in the patent. See the testimony of expert Mattingly [I, 168, 169] as follows:

“Does it make any difference, Mr. Mattingly, in the functions of this clamp whether the spring in the clamp exerts its pressure on an end wall, such as 12 in Exhibit 16, or whether it exerts it on a washer such as Wb in Figure 11 or Figure 12—I mean in Exhibit 11 or 12, or those drawing Exhibits 17 or 18?

“No, the only function to be performed is to provide something against which that end of the spring may bear and push to exert its force, to draw the pins into the body.”

If one appropriates the substance of a patented invention, he is an infringer, even though he might call the parts of his device by names different from those used in the patent claims or might use equivalent parts providing the same functions in the same way.

“Furthermore, it appears from the evidence that appellant's tractor has, instead of the usual frame, a central body member substantially identical with that described in the Wickersham specification. Hence, if Wickersham is a 'frameless' tractor, so also is the tractor sold by appellant.”

Reinharts, Inc. v. Caterpillar Tractor Co., 85 F. (2d) 628, at p. 634 (C. C. A. 9).

See, also:

Jay v. Suetter, 32 F. (2d) 879 (C. C. A. 9).

Appellants do not contend otherwise than that the patent here in suit are for meritorious improvements in an old art, but it is well settled that:

“A patent for a meritorious improvement in an old art is entitled to liberal treatment. *Eibel Process Co. v. Minnesota & Ontario Paper Co.*, 261 U. S. 45, 63, 43 S. Ct. 322, 67 L. Ed. 523.”

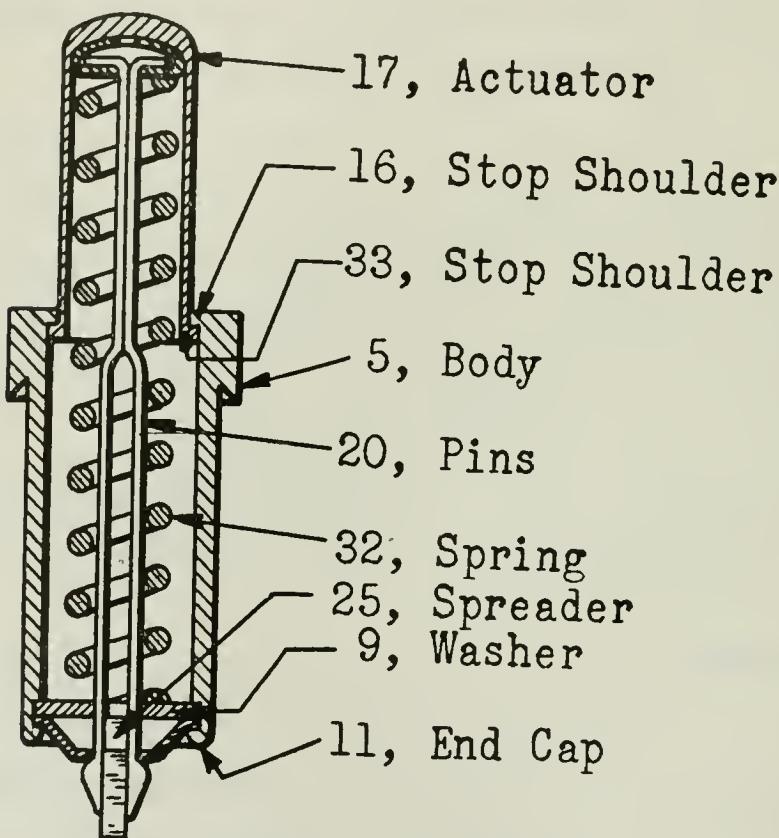
Reinharts, Inc. v. Caterpillar Tractor Co., 85 F. (2d) 628, at p. 636.

Claims 1 and 2 of Patent 2,364,408 [Ex. 2, II, 283].

Exhibit 11 is the only one of the accused clamps charged to infringe those claims.

For convenient reference, the preferred embodiment of the invention illustrated in the patent drawings is shown in Plate 3, next following.

Plate 3



Clamp as specifically shown in drawing of Patent No. 2,364,408

The improvements contributed by the invention of this patent afford important *double safety stops* to prevent injury to workmen caused by clamps flying apart.

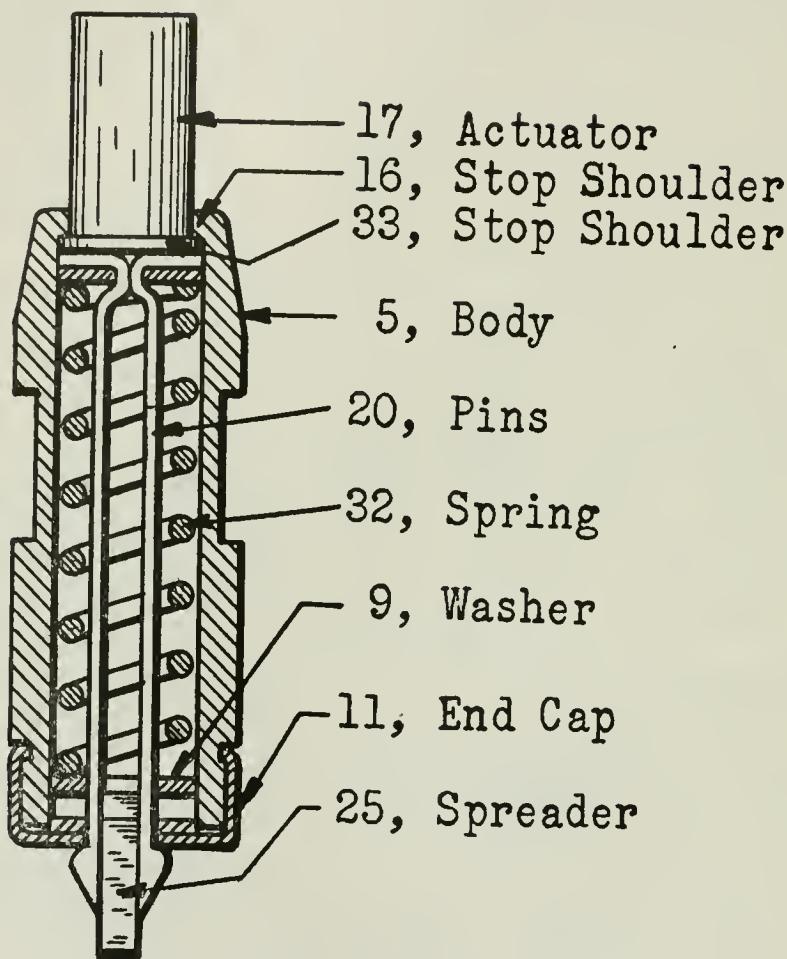
The clamp body (5) is open at both ends, and, at the outer end, there is an attached end cap (11) having a

hole through its center to pass the outer ends of the clamping pins (20). (The clamping pin assembly is referred to in the claims as a "plunger"). The pins are urged into the body by a spring (32). In lieu of having an outer end wall, a washer (9) is mounted in the outer end of the body, and, between the washer and end cap, a spreader bar (25) is mounted, the spreader bar having an outer end portion extending outwardly through the hole in the end cap between the clamping pins. To force the plunger or clamping pins outwardly against the action of the spring, a "tool operated means" or plunger-actuating member (17) is reciprocally mounted in the inner end of the body. One of the safety stops is provided by the cooperating shoulders 16 (on the inner end of the body), and 33 (on the inner end of the actuating member 17), and the other safety stop is provided by engagement of the enlarged outer ends of the pins (with the spreader between them) against the end cap, I, 129. When the spring retracts the clamping pins, the two safety stops function simultaneously to take and share the stress imposed by the spring and, if either stop should give way, the other stop still prevents the clamp from flying apart.

In this clamp, the end cap element of the combination is essential and important because it is utterly *impossible* to assemble the clamp without the separate end cap. The cooperating shoulders (16) and (33) prevent assembly of the clamp from the *inner* end of the body.

Exhibit 11 is again reproduced in Plate 4 for convenient reference and, in this plate, the parts of the clamp are given the reference numerals used in the patent.

Plate 4



Defendants' Device

Exhibit 11

The claims read squarely upon Exhibit 11. This is shown by the following full quotation of claim 2 of patent 2,364,408, the reference numerals identifying the parts of the accused clamp being shown after the corresponding elements of the claim, those reference numerals being the ones used in the patent specification.

“A sheet metal clamp, comprising, in combination, a cylindrical body (5) and end cap (11) mounted on the body in position closing the outer end thereof, said cap presenting an opening therethrough and a work-engaging outer surface, a plunger (20) reciprocally mounted in the body, said plunger having a work-engaging member protractable and retractable through said opening, a spreader member having a laterally projecting inner end portion (25) disposed in the cap and an outer end portion projecting outwardly through said opening in engagement with the work-engaging member, an inwardly disposed flange (16) on the inner surface of the body adjacent its inner end, a coil spring (32) in the body around and retractive-ly engaging the plunger and tool-operated means for protracting the plunger against the pressure of said spring comprising a plunger engaging member (17) reciprocally mounted in and projecting from the inner end of the body for manual engagement, said member having a relatively increased diameter inner end portion engageable against said flange when the plunger is in fully retracted position.”

Claim 1 of patent 2,364,408 is like claim 2 except that it more specifically describes the cap as having a “dished inner portion” and describes the spreader as being “T-shaped,” so that claim 1, like claim 2, also reads upon Exhibit 11.

The testimony of appellants' expert Mattingly, reading claims 1 and 2 upon Exhibit 11, is found in the record at I, 129-139.

By what interpretation the Trial Court held those claims not to be infringed, is certainly not at all understandable. Even if the Court read into the claims the presence of an end wall in addition to the cap, to the same extent that patent 2,364,408 can be said to have an "end wall," so does the accused clamp, Exhibit 11, have an end wall. That is, if the washer (9) of patent 2,364,408 constitutes an "end wall" the *identical* washer (9) of the accused clamp also constitutes an end wall.

The clear fact is, however, that neither of those *claims* includes an end wall in addition to the cap. On the contrary, the claims expressly *exclude* an end wall, because they definitely recite that the cap is secured on the body "*in position closing the outer end thereof.*" Obviously if there were an integral end wall, it would close the outer end of the body and would not leave it open to be closed by the cap.

**The Prior Art Does Not Limit Claims 1 and 2 of
Patent 2,364,408.**

By its refusal to adopt proposed findings of fact 27-34 [I, 29-31] it appears that the Trial Court fully recognized that the prior art offered by appellee failed to limit the combinations of those claims.

The art offered against this patent consists of Webb 2,256,634 [Ex. H8, II, 323], which was cited and con-

sidered by the Patent Office during prosecution of the application for patent 2,364,408, and Wallace 2,266,929 [Ex. H11, II, 341]. While this particular Wallace patent was not cited by the Patent Office, another Wallace patent, 2,292,498 [Ex. 23, II, 291], was cited and considered, and this latter patent is the same as patent 2,266,929 insofar as the purposes of its citation were concerned —that is, the Wallace patent was cited merely to show the use of an end cap and both of those Wallace patents show the same end cap structure [I, 270].

The Webb patent shows something corresponding to the cooperating shoulders (33) and (16) of the Wallace patent in suit 2,364,408, but it does not use the type of clamping pins employing a spreader therebetween nor does it show the Wallace end cap feature [I, 269]. In other words, one could not provide in Webb the second safety stop of the patent in suit without completely redesigning the Webb structure in accordance with the teachings of the patent in suit.

There is nothing in either Webb or Wallace 2,266,929 or Wallace 2,292,498 which suggests the combination of two safety stops as taught by patent in suit 2,364,408.

The law of claim interpretation referred to hereinbefore is equally applicable to the Court's interpretation of claims 1 and 2. In fact, it is more applicable because, in the case of patent 2,364,408, the accused device, Exhibit 11, has every element shown even in the specific embodiment illustrated in the drawings of patent 2,364,408. No resort to the doctrine of equivalence nor any liberal interpretation is necessary.

Finding 25 Is Without Substance.

Finding 25 reads as follows:

“That the clamps manufactured, used, and sold by defendants have a two-piece body with the T-shaped spreader positioned inside of the body.”

The accused devices, as well as the devices disclosed in the patents in suit, all have a body to which a separate end cap is attached, and the spreader is held in the body by the end cap.

It is therefore immaterial whether one describes either device as having a “two-piece body” or whether one describes either device as having a body to which an end cap is attached. In substance, both definitions mean absolutely the same thing.

Certainly one does not avoid infringement by using different language to describe his infringing device. Therefore, if the Trial Court adopted Finding 25 as any valid reason for finding non-infringement, it unquestionably committed error.

POINT 2.

It Is Improper to Award Attorneys' Fees to a Prevailing Party in a Patent Case Unless There Is Some Showing of Bad Faith on the Part of the Losing Party.

The Trial Court awarded \$500 attorneys' fees to appellee, despite the fact that *there was no showing or indication of bad faith on the part of appellants.*

It is submitted that it is important that this Court state its interpretation and application of the 1946 amendment to 35 U. S. C. A. 70, which amendment permits a Court, *in its discretion*, to award reasonable attorneys' fees to a prevailing party in a patent case. If such an allowance were made a general thing in patent cases, it would defeat the purposes of the patent statute and would be directly contrary to the intent of the Constitutional provision upon which the statute is based.

When the Government grants a patent right to an inventor, the inventor should not be placed in a position of having to face bankruptcy if, in good faith, he asks a Court to interpret his patent. Nevertheless the action of the Trial Court in assessing attorneys' fees in this case follows such a harsh policy, because there is absolutely no element of bad faith on the part of appellants, and the patent claims certainly appear to cover the accused devices. In other words, appellants had every reason to believe their case against appellees to be well founded, and appellees have not produced any evidence showing the contrary. In fact, it does not appear that appellees even seriously disputed infringement.

Congress Did Not Intend That Award of Attorneys' Fees
Would Be Made an Ordinary Thing.

The statutory provision is new, and we find only two reported cases interpreting it. In one of those cases, *Lincoln Electric Co. v. Linde Air Products Co.*, 74 Fed. Supp. 293 (D. C., N. D., Ohio, E. D.), the District Court refused to award attorneys' fees, stating its interpretation of the statute as follows:

“It is apparent from the wording of the statute, and its history, that an award of attorneys' fees should not be made in an ordinary case. The court is invested with discretionary power *where it is necessary to prevent gross injustice* (emphasis added). The case at bar presents a situation which is not unusual in patent matters. This court finds no special circumstances of gross injustice . . . This court does not consider that the action by the plaintiff was absolutely unwarranted or unreasonable. Since the award asked by the defendant is contrary to long established practice, a clear showing of the conditions indicated in the statute must be made to entitle the applicant to the relief sought. The circumstances and conditions surrounding the parties in this litigation do not warrant an award of attorneys' fees to the prevailing party.”

That interpretation appears to be completely in accord with the purposes and intentions of Congress in enacting the legislation. For instance, Senate Report No. 1503,

relating to this legislation, contains the following statement of its purpose:

“By the second amendment, the provision relating to attorney’s fees is made discretionary with the court. It is not contemplated that the recovery of attorneys’ fees will become an ordinary thing in patent suits, but the discretion given the court in this respect, in addition to the present discretion to award triple damages, will discourage infringement of a patent by anyone thinking that all he would be required to pay if he loses the suit would be royalty. The provision is also made general so as to enable the court to prevent a gross injustice to an alleged infringer.”

The other reported case is *National Brass Co. v. Michigan Hardware Co.*, 76 U. S. P. Q. 186, F. (2d) (decided January 7, 1948), which also denied attorneys’ fees where no bad faith was shown.

The Practice Should Follow the Practice in Allowing or Refusing Multiple Damages.

It is submitted that no award of attorneys’ fees should be made in a patent case *unless there is a clear showing of bad faith on the part of the losing party.* In other words, it is submitted that the practice should substantially follow the practice of the courts in allowing or refusing multiple damages for wilful infringement. An exhaustive study of the cases in this connection shows that only in rare cases, where there has been a showing of extreme bad faith on the part of the defendant, have multiple damages been allowed.

There Is No Showing of Bad Faith in This Case.

There is absolutely no showing in this case of any bad faith whatsoever on the part of appellants or either of them.

As shown by the patent art and the evidence, appellants have been foremost in improving and developing sheet metal clamps to a point where the public may purchase the most desirable type of clamp at a nominal price. The Patent Office granted the patents in suit after thorough prosecution and they contain claims which, in accordance with the rules of claim interpretation laid down by this Court, read squarely upon the accused device. Appellees have been persistent infringers, having copied first the improvements of patent in suit 2,365,787 and having then copied the improvements of patent in suit 2,364,408. If appellants were not entitled to ask the Court to hear their case against appellees without being penalized by an award of attorneys' fees, it is hard to imagine any case in which a patentee would be entitled to invoke the aid of the courts without fear of penalty.

POINT 3.

The Trial Court Should Have Found the Patents in Suit Valid and Infringed.

Having found no infringement, the Trial Court did not pass upon validity of either patent in suit.

It is submitted, however, that this Court may and should hold the patents valid and infringed without the necessity of remanding the case.

The infringement is clear and, in this case, there are present all the elements which increase the presumption of validity flowing from the grant of the patents after thorough prosecution before the Patent Office. There is an absence of prior art suggesting the novel combinations of the claims. There is the fact that the Patent Office granted the patents after considering the prior art patents which appellees' expert selected as the most pertinent. There is the unrefuted evidence that the patented clamps promptly supplanted all others. There is the unrefuted evidence also that the inventions effected a reduction in the cost of clamps of over 300%, resulting in a saving to the public of several million dollars. Thus, although the patents only relate to improvements in an old art, the improvements were of substantial merit and the patents are entitled to liberal interpretation (*Eibel Process Co. v. Minnesota & Ontario Paper Co.*, 261 U. S. 45, 63, 67 L. Ed. 523.) However, in this case, it is not necessary to invoke any liberal interpretation to find infringement.

Conclusion.

Appellants respectfully submit, therefore, that the appealed judgment should be reversed and the patents in suit found valid and infringed.

Respectfully submitted,

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Attorneys for Appellants.

APPENDIX.

In the United States Circuit Court of Appeals for the Ninth Circuit.

Herman H. Helbush and Monogram Manufacturing Co., a corporation, Plaintiffs, vs. Donald H. Finkle, doing business as Wedgelock Company, Defendants. No. 11761.

APPELLANTS' CONCISE STATEMENT OF POINTS ON APPEAL UNDER RULE 19(6).

Plaintiffs' appellants make the following statement of the points on which they intend to rely on the appeal:

1. The Trial Court erred in failing to make findings of fact to support the judgment of non-infringement.
2. The Trial Court erred in failing to make findings of fact in accordance with the evidence.
3. The Trial Court erred in holding that defendants have not infringed claim 11 of Patent 2,365,787.
4. The Trial Court erred in holding that defendants have not infringed claims 1 and 2 of Patent 2,364,408.
5. The Trial Court erred in failing to apply the law of patent claim interpretation as stated by the Court in Reinharts vs. Caterpillar Co., and by the Supreme Court in Smith vs. Snow.
6. The Trial Court erred, with respect to claim 11 of Patent 2,365,787, in reading into the claim an element not recited in the claim, and not necessary to novelty or operability.
7. The Trial Court erred, with respect to claims 1 and 2 of Patent 2,364,408, in reading into the claims an element not recited in the claims, which the claims ex-

pressly preclude, which is not necessary to novelty or operability and, most important, which is not even included in the specific disclosure of the patent drawings and specification.

8. The Trial Court erred in failing to apply the law of mechanical equivalence.

9. The Trial Court erred in holding that defendants avoided infringement by the simple expedient of calling an equivalent part by a different name.

10. The Trial Court erred in awarding attorneys' fees to defendants when there was no charge or showing of bad faith on the part of plaintiffs and when, according to the terms of the patent grants there was every valid reason for plaintiffs to believe defendants infringe.

11. The Trial Court erred in failing to hold claim 11 of Patent 2,365,787 valid and infringed.

12. The Trial Court erred in failing to hold claims 1 and 2 of Patent 2,364,408 valid and infringed.

Dated this 8th day of October, 1947.

MASON & GRAHAM,
/s/ COLLINS MASON,
Attorneys for Plaintiffs-Appellants.

Received copy of the within Statement this 9th day of
....., 1947.

/s/ FREDERICK W. LYON,
Attorneys for Defendants.

[Endorsed]: Filed Oct. 7. 1947. [Rep. Tr. pp. 273-275.]